



UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, DC

Issued by the Department of Transportation on August 27, 2004

NOTICE OF ACTION TAKEN -- DOCKET OST-2004-18811 - 4

This serves as notice to the public of the action described below, taken by the Department official indicated (no additional confirming order will be issued in this matter).

Application of PSA AIRLINES, INC. d/b/a US AIRWAYS EXPRESS d/b/a US AIR EXPRESS filed 8/3/04 for:

**XX** Exemption for two years under 49 U.S.C. 40109 to provide the following service:

**Scheduled foreign air transportation of persons, property and mail between a point or points in the United States and a point or points in the Turks & Caicos. PSA also requests for route integration authority to combine this exemption authority with PSA's other authorities.<sup>1</sup>**

Applicant rep: Howard Kass (703) 872-5230 DOT Analyst: Thuy H. Cooper (202) 366-5423

**DISPOSITION**

**XX** **Granted (subject to conditions, see below)**

The above action was effective when taken: August 27, 2004 through August 27, 2006.

Action taken by: **Paul L. Gretch, Director**  
**Office of International Aviation**

**XX** **The authority granted is consistent with the aviation agreement between the United States and the United Kingdom.**

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

**XX** **Holder's certificate of public convenience and necessity**

**XX** **Standard Exemption Conditions (attached)**

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**Conditions:** The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in award of the route integration authority granted should be construed as conferring upon PSA rights (including fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless PSA notifies the Department of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited-entry route rights that are included in PSA authority by virtue of the route integration exemption granted here, but that are not then being used by PSA, the holding of such authority by route integration will not be considered as providing any preference for PSA's in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

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<sup>1</sup> The carrier advised us orally that by "other authorities" it meant its existing certificate and exemption authorities.

On the basis of data officially noticeable under Rule 24(g) of the Department's regulations, we found the applicant qualified to provide the services authorized.<sup>2</sup>

Under authority assigned by the Department in its regulations, 14 CFR Part 385, we found that (1) our action was consistent with Department policy; (2) grant of the application was consistent with the public interest; and (3) grant of the authority would not constitute a major regulatory action under the Energy Policy and Conservation Act of 1975. To the extent not granted, we denied all requests in the referenced Docket. We may amend, modify, or revoke the authority granted in this Notice at any time without hearing at our discretion.

Persons entitled to petition the Department for review of the action set forth in this Notice under the Department's regulations, 14 CFR §385.30, may file their petitions within seven (7) days after the date of issuance of this Notice. This action was effective when taken, and the filing of a petition for review will not alter such effectiveness.

An electronic version of this document is available on the World Wide Web at:

[http://dms.dot.gov/reports/reports\\_aviation.asp](http://dms.dot.gov/reports/reports_aviation.asp)

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<sup>2</sup> By Order 2004-5-22, we found PSA fit, willing, and able to conduct foreign scheduled air transportation of persons, property, and mail between the United States and Canada. By Notice of Action Taken, July 26, 2004 (Docket 04-18017), PSA was granted exemption authority to provide scheduled combination service between the United States and the Bahamas. Operationally, the services proposed in the instant application are not markedly different in scope from those services. Thus, we found no reason to question the carrier's qualifications to provide the services proposed in the present application.

### **U.S. Carrier Exemption Conditions**

In the conduct of the operations authorized, the U.S. carrier applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Except as specifically exempted or otherwise provided for in a Department Order, comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with all applicable requirements of the Federal Aviation Administration and with all applicable U.S. Government requirements concerning security, including, but not limited to, 49 CFR Part 1544. To assure compliance with all applicable U.S. Government requirements concerning security, the holder shall, before commencing any new service (including charter flights) to or from a foreign airport, contact its International Principal Security Inspector (IPSI) to advise the IPSI of its plans and to find out whether the Transportation Security Administration has determined that security is adequate to allow such airport(s) to be served; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.